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The Netherlands

Fresh Deciduous Fruit

Annual

2002

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Report Highlights:
The production of apples is estimated this year at 355,000 MT, 25 percent less than last year, with stable per capita consumption. The import of apples is estimated higher this coming year, while exports are expected lower. This year the production of pears will be 175,000 MT, a 150 percent increase over last year. The consumption of pears is stable. As a result imports will be lower this year while the export of pears is estimated at 185,000 MT, up from 90,000 MT in 2001.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
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Executive Summary

The 2002 apple crop in the Netherlands is expected to be 25 percent lower than 2001. Unfavorable weather conditions during blossoming and hailstorms late in the season will result in production of 355,000 MT. As a consequence, prices are expected to rise.

This year's pear crop, at 175,000 MT, is expected to be 150 percent higher than 2001. Pear prices are expected to ease after last year's unprecedented high levels.

Domestic consumption in the Netherlands is stable, so efforts to increase sales must focus on marketing and the need for convenience as well as food safety and health concerns.

Last year's apple exports were lower than recent years due to lower availability. Germany remains the most important export market for Dutch apples, both fresh and processed. The Netherlands remains an important importer of apples. Recently more apples imports are coming from Southern hemisphere countries at the expense of other European exporters.

The export of pears depends on demand for Conference variety pears by the UK and Russia. Pear import demand is undergoing a shift similar to that of apples towards Southern hemisphere suppliers. The Netherlands is often used as a port of entry for other European countries due to its favorable location and trading tradition.

For both apples and pears, production is concentrated in the hands of small family owned companies. Due to lower margins, increased competition from foreign fruit and the trend of concentration among wholesale purchasers, the industry is shifting towards production by somewhat larger farms.

Exchange Rate

Year	U.S. $	EURO	Dutch florin (guilder)
1998	1	-	1.98
1999	1	0.94	2.07
2000	1	1.09	2.39
2001	1	1.12	2.46
2002	1	1.09	

Note: For 2002 exchange rate is only available for the first nine months

Apples

Production: Throughout European Union, Less Apples Produced

The apple harvest within the EU is expected to decrease. This season 7.3 million MT of apples will be produced, 3 percent less than 2001. Although production grew in Italy and France, it was lower this year in Germany, Spain, Belgium and the Netherlands.

Already the largest producer of apples in the EU, Italy's production grew by 7%. Golden and Red Delicious are Italy's most important apple varieties and account for 60% of total production. However, the production of Fuji, Braeburn and especially Gala has been growing very quickly. These new varieties are gaining popularity at the expense of Jonagold and of Elstar.

Table 1: European Union - Production of Apples
Metric Tons

	1998	1999	2000	2001	2002*
Italy	2,165,322	1,295,623	2,206,288	2,172,217	2,323,632
France	1,750,000	2,230,000	2,260,000	1,937,942	1,972,241
Germany	977,200	1,036,100	1,130,800	922,400	773,000
Spain	679,600	837,366	698,550	819,680	686,584
The Netherlands	507,000	575,000	500,000	475,000	355,000
Belgium	406,730	533,940	500,000	336,564	306,960
Others	914,154	1,839,046	904,809	853,582	856,760
Total	7,400,006	8,347,075	8,200,447	7,517,385	7,274,177

source: EUROFEL, Brussels

Italian production is closely followed by that of France, a country where production grew by 2 percent to an estimated 2.0 million tons. As in Italy, Golden and Red Delicious lead the market in France, but new varieties are gaining market share at a much faster paste.

Spain and Germany have both seen a huge decrease in production during the past year. During blossoming, weather conditions were not favorable, resulting in a lower yield.

PSD Table						
Country	Netherlands					
Commodity	Fresh Apples				(HA)(1000 TREES)(MT)	
	Revised	**2000**	**Preliminary**	**2001**	**Forecast**	**2002**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**07/2000**		**07/2001**		**07/2002**
Area Planted	13,501	12,839	12,420	11,718	0	10,500
Area Harvested	11,739	11,170	10,800	10,195	0	9,135
Bearing Trees	23,000	21,862	21,500	19,984	0	17,888
Non-Bearing Trees	5,500	5,228	5,100	4,741	0	4,277
Total Trees	28,500	27,090	26,600	24,725	0	22,165
Commercial Production	450,000	450,000	430,000	430,000	0	325,000
Non-Comm. Production	50,000	50,000	45,000	45,000	0	30,000
TOTAL Production	500,000	500,000	475,000	475,000	0	355,000
TOTAL Imports	246,098	300,528	255,000	323,818	0	330,000
TOTAL SUPPLY	**746,098**	**800,528**	**730,000**	**798,818**	**0**	**685,000**
Domestic Fresh Consump	317,133	325,528	316,000	362,818	0	285,000
Exports, Fresh Only	294,402	360,000	286,000	320,000	0	293,000
For Processing	122,507	85,000	117,000	96,000	0	87,000
Withdrawal From Market	12,056	30,000	11,000	20,000	0	20,000
TOTAL UTILIZATION	**746,098**	**800,528**	**730,000**	**798,818**	**0**	**685,000**

Source: Product Board for Horticulture

Domestic Apple Harvest Falls Again

Table 2: The Netherlands - Apple Production Figures by Variety
Metric Tons

	1998	**1999**	**2000**	**2001**	**2002***
Elstar	170,000	190,000	170,000	185,000	165,000
Jonagold	165,000	195,000	180,000	150,000	115,000
Golden Delicious	45,000	45,000	40,000	40,000	20,000
Cox Orange	47,000	45,000	30,000	30,000	15,000
Boskoop	35,000	55,000	40,000	40,000	15,000
Other Variety	45,000	45,000	40,000	30,000	25,000
Total	507,000	575,000	500,000	475,000	355,000

Source: Eurofel *Forecast

The production of apples is estimated this year at 355.000 tons, 25 percent less than last year. This fall in production is due mainly to unfavorable weather conditions during blossom. In addition production area has fallen this year by an estimated 10 percent. Among different varietals the production of Golden Delicious, Cox Orange and Boskoop fell by over 50 percent.

Apple Growers Receive a Better Price

Table 3: The Netherlands - Auction Prices for Apples
(Dutch & Euro cents per kilo)

	98/99	99/00		00/01		01/02
	NLG	NLG	Euro	NLG	Euro	Euro
Average Price	53	48	21	62	28	35
Golden Delicious	61	57	56	67	30	35
Boskoop	54	49	67	67	30	34
Jonagold	54	58	26	69	31	37
Cox's Orange	64	56	25	86	39	35
Elstar	63	70	32	85	39	50
Gloster	41	48	22	46	21	28
Processing Apples	17	23	10	17	8	11

Source: Central Bureau of Statistics

Prices received by growers were relatively low in 1999 and 2000 before rebounding in 2001. This year, prices have gone up by 24 percent, due to lower availability across the region.

Larger Apple Farms

Due to lower profits, over the past decade the total acreage of apples has gone down every year. During past 4 years acreage decreased by almost 23 percent to 11,718 hectares. In general all varieties are facing a decline, except for Delbarestivale (Delcorf). The planted acreage for this apple, only accounting for a 3 percent market share, has gone up during past 4 years. Other varieties like Elstar and Gala that showed similar growth figures during the late 90s are now facing decline.

Table 4: The Netherlands - Acreage of Apples Variety Hectares				
	1997/98	**1998/99**	**1999/00**	**2000/01**
Elstar	5,260	5,595	5,497	5,407
Jonagold	4,567	4,262	3,492	3,062
Cox's Orange Pippin	1,256	989	808	562
Golden Delicious	1,052	898	786	637
Rode van Boskoop	1,226	1,144	936	765
Delbarestivale (Delcorf)	217	264	296	316
Gala	116	118	95	91
Other varieties	990	922	931	879
Total	14,682	14,191	12,838	11,718

Source: CBS

The total number of apple farms has gone down as well. During past 4 years this number decreased by a quarter, with the number of smaller farms (<4 ha.) decreasing by 35 percent and the number of bigger farms (>8 ha.) decreasing by 16 percent.

Table 4: The Netherlands - The Number of Apple Farms				
1997	**1998**	**1999**	**2000**	**2001**
2,794	2,623	2,510	2,293	2,089

Source: CBS

Consumption

In 1999, spending on apples made up a quarter of all spending on fruit. Total spending on fruit was approximately US$ 120 per household per year. Among the various apple varieties, the Elstar is the most popular apple with a market share of 32 percent, but popularity differs between the various age groups. As table 6 shows, the Elstar is by far the most popular apple for older people whereas the Granny Smith is preferred by younger people. The per capita consumption of apples in the Netherlands is stable.

Table 5: The Netherlands - The Percentage of Apples Purchased Age & Variety					
	< 30 yrs	**30 - 39 yrs**	**40 - 49 yrs**	**50 - 64 yrs**	**65+**
Elstar	25	33	29	35	44
Golden Delicious	19	14	10	8	7
Goudreinette	4	4	7	9	12
Granny Smith	23	12	14	8	2
Jonagold	20	23	23	23	18
Other Variety	9	14	17	25	17
Total	100	100	100	100	100

Source: Product Board for Horticulture

Larger supermarkets are becoming increasingly more important as a distributor of fresh deciduous fruit. Consumption often depends on what happens on retail shelves. Research has shown that the presentation and promotion of fruit are important tools to raise consumption. It has become relevant to stress the benefits of eating apples regularly and retailers promote the healthy and safe image of apples.

Trade: Export Depends Strongly on the German Processing Industry

Dutch export of apples fluctuates substantially from year to year. Over 50 percent of total apple export is re-export. For domestically grown apples, Germany, the Netherlands's largest export market, last year bought over 40 percent of total exports (equivalent to 66,000 MT). Other important export markets include France, Russia and Sweden importing each 8 percent of total exports.

The export market can be split up by export for industrial use and export for the fresh market. Fresh apples account for the majority of exports, 70 percent last year. The Jonagold and Elstar have stable export figures for the past few years. Other varieties that are exported, albeit to a lesser extend, are Cox, Golden Delicious and Jonagored, with the latter gaining market share in export markets at the expense of Cox. The export of apples for industrial use is especially heavy during the period August to December. Germany is also the biggest buyer of industrial apples.

Trade Matrices

Import Trade Matrix			
Country	Netherlands		
Commodity	Fresh Apples		
Time period	CY	Units:	Metric Tons
Imports for:	**2000**		**2001**
U.S.	1,078	U.S.	939
Others		Others	
E.U.	176,706	E.U.	154,881
- France	92,000	- France	78,000
- Belgium	70,000	- Belgium	61,000
- Germany	6,402	- Germany	7,916
- Other E.U.	8,304	- Other E.U.	7,965
Chile	30,493	Chile	62,535
South Africa	29,277	South Africa	35,419
Argentina	9,794	Argentina	29,394
Brazil	32,032	Brazil	17,255
New Zealand	16,605	New Zealand	16,133
Total for Others	294,907		315,617
Others not Listed	4,543		7,262
Grand Total	300,528		323,818

Export Trade Matrix			
Country	Netherlands		
Commodity	Fresh Apples		
Time period	CY	Units:	Metric Tons
Exports for:	**2000**		**2001**
U.S.	29	U.S.	0
Others		Others	
E.U.	166,170	E.U.	123,411
- Germany	102,538	- Germany	66,104
- France	12,109	- France	12,765
- Sweden	11,077	- Sweden	11,779
- Belgium/Luxembourg	12,516	- Belgium/Luxembourg	10,988
- U.K.	12,299	- U.K.	7,021
- Other E.U.	15,631	- Other E.U.	14,754
Russia	14,593	Russia	12,575
Poland	4,298	Poland	5,856
Czech Rep.	4,194	Czech Rep.	4,881
Total for Others	189,255		146,723
Others not Listed	12,244		9,267
Grand Total	201,528		155,990

Source: Product Board for Horticulture

Note: the Export Trade Matrix includes only apples grown in the Netherlands

Leading Trade Flows		
Industrial Apples		
Germany	16,000	MT
Belgium/Luxembourg	7,000	MT
Fresh Apples Jonagold		
Germany	13,000	MT
Sweden	8,000	MT
Finland	7,000	MT
Jongared		
Germany	8,000	MT
Elstar		
Germany	17,000	MT

Trade: Southern Hemisphere Countries Are Gaining Market Share in the Import Market

Last year apple import by the Netherlands was twice the amount of apple export. It is important to note that not all of these apples are consumed by the Dutch; a substantial share of import are re-exported via the port of Rotterdam to European countries such as Germany and Belgium.

Historically, there is a steady flow of French apples to the Netherlands. In 2001, approximately a quarter of all imports came from France. The second largest European supplier of apples to the Netherlands is Belgium, with a 20 percent share

During the past decade, apples from Southern hemisphere countries have become quite popular in the Netherlands due to their varieties, presentation and of course their counter seasonal availability. Countries like Chile, South Africa, Argentina and Brazil are increasingly gaining a market share at the expense of European countries such as France, Italy and Spain. For 2001 the Southern hemisphere countries account for 50 percent of total import.

Less than one percent of total import comes from the US. The main reason for this low figure is the lack of competitiveness of the US apple on the Dutch market (cost price + freight cost). In addition the Dutch seem to prefer Jonagold and Elstar, not typical US varieties.

Pears

Production: European Union Back to Old Production Figures

The pear harvest within the EU is expected to increase back to late 90s levels. This year 2.2 million ton pears will be produced, 13 percent more than 2001. For the EU countries individually, changes are more drastic. Although production grew considerably in the UK and the Netherlands, in Greece and Germany production has fallen this season.

Table 6: European Union - Production of Pears
Metric Tons

	1998	1999	2000	2001	2002*
Italy	1,114,792	783,975	876,253	793,077	858,095
France	246,106	287,600	258,500	89,944	216,100
Germany	55,400	54,000	65,200	46,800	44,000
Spain	563,400	682,483	594,700	661,227	600,357
United Kingdom	25,000	18,100	34,000	33,400	34,500
The Netherlands	140,000	135,000	195,000	70,000	175,000
Others	243,482	372,371	335,104	277,368	299,503
Total	2,388,180	2,333,529	2,358,757	1,971,816	2,227,555

source: EUROFEL, Brussels * Forecast

Italy is Europe's leading producer of pears with forecast production of 858,000 MT for this year, equivalent to almost 40 percent of Europe's total harvest. There are three varieties that are produced on a large scale; Abate, William's and Conference with market share of, 29, 19 and 17 percent. Almost 85 percent of the production is consumed on the domestic market. Of the remaining 15 percent, half (predominantly Abate) goes to neighboring Germany.

Spain is Europe's second biggest pear producer. An estimated 600,000 MT will be harvested this year. Spain's leading varieties are Blanguilla and Conference with an estimated production of 240,000 and 170,000 MT in 2002. Similar to Italy, Spain exports only 15 percent of domestic production. Important export markets are Italy, Greece, Germany and France.

Domestic: More Dutch Pears Produced

PSD Table						
Country	Netherlands					
Commodity	Fresh Pears				(HA)(1000 TREES)(MT)	
	Revised	**2000**	**Preliminary**	**2001**	**Forecast**	**2002**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**07/2000**		**07/2001**		**07/2002**
Area Planted	6,020	6,019	6,500	6,097	0	6,100
Area Harvested	5,400	5,400	5,800	5,487	0	5,490
Bearing Trees	7,100	7,100	7,600	7,113	0	7,117
Non-Bearing Trees	1,400	1,400	1,500	1,423	0	1,423
Total Trees	8,500	8,500	9,100	8,536	0	8,540
Commercial Production	175,000	175,000	63,000	63,000	0	157,500
Non-Comm. Production	20,000	20,000	7,000	7,000	0	17,500
TOTAL Production	195,000	195,000	70,000	70,000	0	175,000
TOTAL Imports	108,375	130,642	180,000	132,899	0	130,000
TOTAL SUPPLY	**303,375**	**325,642**	**250,000**	**202,899**	**0**	**305,000**
Domestic Fresh Consump	126,101	130,142	85,000	108,899	0	115,000
Exports, Fresh Only	163,290	190,000	155,000	90,000	0	185,000
For Processing	13,984	5,500	10,000	4,000	0	5,000
Withdrawal From Market	0	0	0	0	0	0
TOTAL UTILIZATION	**303,375**	**325,642**	**250,000**	**202,899**	**0**	**305,000**

Source: Product Board for Horticulture

Table 7: The Netherlands - Pear Production Figures by Variety
Metric Tons

	1998	**1999**	**2000**	**2001**	**2002***
Conference	90,000	95,000	130,000	55,000	115,000
Doyenne Comice	25,000	20,000	35,000	10,000	30,000
Other Varieties	25,000	20,000	30,000	5,000	30,000
Total	140,000	135,000	195,000	70,000	175,000

Source: Eurofel *Forecast

For 2002 a very high yield has been forecasted. This is in strong contrast to the harvest in 2001 when production was lower due to lower amount of flower-buds and the ‘pseudomonasbacterie’. This year the production of pears will be 175.000 tons, which is a 150 percent increase over last year.

Scaling up in the Primary Pear Production Industry

Over the past decade, the total acreage of pears has gone up almost every year. During past 4 years the acreage increased by only 1 percent to 6,097 hectares. New pear plantings are almost exclusively of the Conference variety. The planted acreage for this pear, with 70 percent market share, has gone up by 25 percent during past 4 years.

Table 8: The Netherlands - Acreage of Pear Variety
Hectares

	1997/98	1998/99	1999/00	2000/01
Conference	3,531	3,814	3,979	4,292
Doyenne du Comice	1,204	1,138	1,058	1,008
Beurre Hardy	194	168	146	102
Triomphe de Vienne	217	214	194	174
Poaching Pears	501	470	424	335
Other Variety	292	216	217	186
Total	5,939	6,020	6,019	6,097

Source: Central Bureau of Statistics

As with the apple industry, the number of pear farms has gone down. During past 4 years this number decreased by almost a fifth. Small farmers, up to 4 hectares, are leaving the industry (by 25 percent) but other small farmers are buying them out. The amount of large farms (> 8 hectares) has gone up by 45 percent during this same period.

Table 9: The Netherlands - The Number of Pear Farms

1997	1998	1999	2000	2001
2,553	2,431	2,372	2,240	2,086

Source: Central Bureau of Statistics

Prices: Receiving a Better Price

Table 10: The Netherlands - Average Auction Prices for Pears
(Dutch and Euro Cents per kilo)

	1998/9	1999/00		2000/01		2001/02	
	NLG	NLG	Euro	NLG	Euro	NLG	Euro
Average Price	110	131	59	95	43	96	44
Legipont	68	94	43	55	25	52	24
Beurre Hardy	63	77	35	54	25	71	32
Conference	123	137	62	117	53	98	44
Doyenne du C.	123	126	57	69	31	99	45
Cooking Pears	85	170	77	61	28	166	75

Source: Product Board for Horticulture

Prices received by pear growers were very high in 1998, 1999 and 2000. During most of 2001 producers received a much lower price, with prices for the Legipont and Doyenne varieties dropping by over 40 percent. This year, prices have been high due to last years' poor harvest.

Trade: Conference Pears Lead Exports

As the figures indicate, the export of pears has been stable for the past 4 years. On average the Netherlands exports approximately 100,000 MT per annum. The UK is a very important export market for Dutch pears. During 2001 almost 39,000 MT pears, predominantly Conference, found their way to the UK. Russia, Sweden and France are also important importers of Dutch pears.

Trade: Import of Pears

The Netherlands is also a large importer with total 2002 imports estimated at 130,000 MT. Imports are often exported immediately to other European countries: for instance, all Chilean pears destined for the EU market are traded via the Netherlands.

Trade Matrices

Import Trade Matrix			
Country	Netherlands		
Commodity	Fresh Pears		
Time period	CY	Units:	Metric Tons
Imports for:	**2000**		**2001**
U.S.	2,285	U.S.	3,547
Others		Others	
E.U.	49,918	E.U.	52,178
- Belgium	36,275	- Belgium	28,880
- France	4,214	- France	10,277
- Spain	1,674	- Spain	4,755
- Germany	3,615	- Germany	3,963
-Other E.U.	4,140	-Other E.U.	4,303
Argentina	24,850	Argentina	26,038
South Africa	24,291	South Africa	23,847
Chile	26,117	Chile	23,627
Total for Others	125,176		125,690
Others not Listed	3,181		3,662
Grand Total	130,642		132,899

Export Trade Matrix			
Country	Netherlands		
Commodity	Fresh Pears		
Time period	CY	Units:	Metric Tons
Exports for:	**2000**		**2001**
U.S.	20	U.S.	0
Others		Others	
E.U.	118,914	E.U.	82,857
- U.K.	35,074	- U.K.	38,927
- Sweden	10,563	- Sweden	9,797
- France	17,952	- France	8,564
- Denmark	7,049	- Denmark	6,479
- Germany	45,033	- Germany	5,448
- Other E.U.	3,243	- Other E.U.	8,639
Russia	29,371	Russia	16,788
Norway	4,873	Norway	4,337
Total for Others	148,285		99,645
Others not Listed	14,985		7,942
Grand Total	163,290		107,587

Source: Product Board for Horticulture

Note: The Export Trade Matrix includes only pears grown in the Netherlands

Throughout the past years there has been a stable flow of Belgian pears to the Netherlands. Last year approximately 22 percent of total import, an equivalent to 30,000 MT pears came to the Netherlands. As with the apple market, imports from Southern hemisphere countries are increasingly popular at the expense of European countries like France, Spain and Italy. For 2001 the Southern hemisphere countries account for 55 percent of total imports. Four years ago this figure was only 40 percent.

Cooperative Fruit Sales Organizations

The addresses of the two largest Dutch cooperative fruit sales organizations can be found below:

Coöperatie Fruitmasters Groep U.A.
P.O. Box 222
4190 CE Geldermalsen
The Netherlands
Tel: +31.345.578830
Fax: +31.345.578832
Internet: http://www.fruitmasters.nl

The Greenery International B.V.
P.O. Box 79
2990 AB Barendrecht
The Netherlands
Tel: +31.180.657033
Fax: +31.180.657773
Email: info@thegreenery.com
Internet: http://www.thegreenery.com